

Hamilton County Neighborhood Stabilization Program: Homebuyer Assistance Application

Program Description

The Neighborhood Stabilization Program (NSP) assists income-qualified buyers in the purchase of NSP-assisted homes. NSP-assisted homes are homes that have been rehabbed with NSP funds (to see a list of available homes, please visit <http://www.hamiltoncountyohio.gov/commdev/v2/NSPHomes.asp>). Approved applicants receive grants up to \$14,999 to be used as down payment assistance (grant amount is dependent upon income). The grants are in the form of a forgivable loan (soft second mortgage) at 0% interest, contingent upon the eligible homebuyer continuing to own, occupy as principal residence, and maintain the home for the full 5 year affordability period.

Qualifications and Requirements

2015 Income Limits and Grant Amounts

Program participation is limited to households with adjusted gross income that is 120% or less than the area median income. Consult the table below to determine if you meet this requirement. Grants will be provided based on household income according to the ranges below:

	----- Household Size -----							
	1	2	3	4	5	6	7	8
80% AMI	\$39,900	\$45,600	\$51,300	\$56,950	\$61,550	\$66,100	\$70,650	\$75,200
100% AMI	\$49,850	\$56,950	\$64,100	\$71,200	\$76,900	\$82,600	\$88,300	\$94,000
120% AMI	\$59,800	\$68,350	\$76,900	\$85,450	\$92,300	\$99,100	\$105,950	\$112,800

Income Range	Grant Amount
Below 80% AMI	\$14,999
80% - 100% AMI	\$12,500
Over 100% - 120% AMI	\$10,000

Affordability

The grant amounts indicated on the previous page are subject to a 5-year affordability period. This means that the forgivable loan (soft second mortgage) at 0% interest is contingent upon the eligible homebuyer continuing to own, occupy as principal residence, and maintain the home for 5 full years. If the property is **sold** during the affordability period, the repayment amount will be determined as specified in the table below (repayment is subject to available net proceeds). *If the homebuyer **vacates** or **rents out** the home during the affordability period, then the **full** grant amount is subject to recapture.

Year of Affordability Period	Amount of Grant to be Repaid
Sell within 1 st year:	100% (full amount repaid)
Sell after completion of 1 st year:	80%
Sell after completion of 2 nd year:	60%
Sell after completion of 3 rd year:	40%
Sell after completion of 4 th year:	20%
Sell after completion of 5 th year:	0% (full amount forgiven)

Homebuyer's Course

All NSP recipients must complete a 9-hour homebuyer class prior to closing on their home. Course work can be completed before or after submitting the NSP application, but must have been completed within the past year. Hamilton County has a contract with the following agency to conduct this class. Class costs are \$750.00 a person and are covered through the NSP; Hamilton County will be billed.

The Home Ownership Center
2820 Vernon Place
Cincinnati, OH 45219
513-961-2800

Qualifying Jurisdiction

Approved applicants may receive down payment assistance towards the purchase of a NSP-assisted home (subject to funding and home availability) in any of the following NSP-targeted Communities:

- Cheviot
- Cleves
- Colerain
- Elmwood Place
- Forest Park
- Golf Manor
- Lincoln Heights
- Lockland
- Mt. Healthy
- North College Hill
- Norwood
- Silverton
- Springfield
- St. Bernard
- Woodlawn

Buyer Contribution

Approved applicants are required to provide half of the lender required down payment (must be at least 1% of the purchase price of the home) as a contribution towards the acquisition (e.g. an FHA loan requires 3.5% down payment, of which the buyer must contribute 1.75%). The contribution must be in the form of a cash payment and cannot be borrowed or gifted funds. Documentation verifying this contribution must be submitted to our office **prior to closing**. No cash may be received by the buyer at closing.

Financing Restrictions

NSP participants may obtain financing from the lending institution of their choice. The loan re-payment terms must meet FHA guidelines that specify that no more than 31% of monthly household income be devoted to principal, interest, taxes and insurance. Additionally, total household indebtedness cannot exceed 43% of monthly income. The loan must be fixed-rate.

Application Approval Period

An approved application is valid for 6 months from the date of the approval letter. If an applicant does not successfully purchase a NSP home within this 6 month period, a new application will need to be submitted and approved.

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HAMILTON COUNTY NEIGHBORHOOD STABILIZATION PROGRAM

Homebuyer Assistance Application

PLEASE COMPLETE THIS APPLICATION IN ITS ENTIRETY. FAILURE TO PROVIDE TRUE AND COMPLETE INFORMATION MAY DELAY THE PROCESSING OF YOUR APPLICATION. ***DO NOT*** LEAVE ANY SPACES BLANK.

PART A: HOUSEHOLD COMPOSITION AND CHARACTERISTICS

<u>Applicant:</u>		
Last Name / First Name / M.I.	Date of Birth / /	Marital Status (circle) Single Married Divorced
Address (City / State / Zip)	Daytime Phone #	Social Security #
Are you a U.S. citizen? (YES / NO) If NO, provide documentation of legal residence with application.		
<u>Spouse/Co-Applicant</u>		
Last Name / First Name / M.I.	Date of Birth / /	Marital Status (circle) Single Married Divorced
Address (City / State / Zip)	Daytime Phone #	Social Security #
Are you a U.S. citizen? (YES / NO) If NO, provide documentation of legal residence with application.		

<u>Race</u> (you may circle more than one race):	
1. White 2. Black / African-American 3. American Indian / Alaska Native 4. Asian 5. Hawaiian Native / Other Pacific Islander 6. Other: _____	
<u>Ethnicity</u> (circle one):	
1. Hispanic or Latino 2. Non-Hispanic or Latino	

Other Household Members - List requested information for all other members of household. Attach separate sheet if necessary.

Last Name / First Name / M.I.	Relationship to Applicant(s)	Date of Birth	Social Security #
		/ /	
		/ /	
		/ /	
		/ /	
		/ /	

PART B: HOUSEHOLD INCOME AND EMPLOYMENT

DOES ANY HOUSEHOLD MEMBER: (circle YES or NO and fill in applicable information)

1. Work full-time, part-time, seasonally, or on call – including wages, fees, tips, bonuses, money for services? **(YES / NO)** If yes, provide the following information:

Household Member Name	Employer Name & Full Address	Fax # for Employment Verification	Start Date	Position Held	Gross Earnings (circle interval)
		() ()			\$ wkly/bi-wkly/mnthly/yrly
		() ()			\$ wkly/bi-wkly/mnthly/yrly
		() ()			\$ wkly/bi-wkly/mnthly/yrly
		() ()			\$ wkly/bi-wkly/mnthly/yrly

2. Work for someone who pays cash? **(YES / NO)** If yes, provide the following information:

Household Member Name	Employer Name & Full Address	Fax # for Employment Verification	Start Date	Position Held	Gross Earnings (circle interval)
		() ()			\$ wkly/bi-wkly/mnthly/yrly
		() ()			\$ wkly/bi-wkly/mnthly/yrly

3. Receive unemployment benefits, workers compensation, or severance pay? **(YES / NO)** If yes, provide:

Household Member Name: _____

Type of Benefit: _____

Amount: _____ How often received? _____

4. Receive child support from the Child Support Enforcement Agency? **(YES / NO)** If yes, provide:

a. Minor's Name:	c. Minor's Name:
Name of Absent Parent:	Name of Absent Parent:
Child Support Amount:	Child Support Amount:
How often Received?	How often Received?
b. Minor's Name:	d. Minor's Name:
Name of Absent Parent:	Name of Absent Parent:
Child Support Amount:	Child Support Amount:
How often Received?	How often Received?

5. Receive child support directly from the absent parent? **(YES / NO)** If yes, provide:

a. Minor's Name:	b. Minor's Name:
Name of Absent Parent:	Name of Absent Parent:
Child Support Amount:	Child Support Amount:
How Often Received?	How Often Received?

6. Receive alimony? **(YES / NO)** If yes, provide:

Household Member Name: _____ Amount: _____
How often? _____ Former Spouse Name: _____

7. Receive public assistance (TANF/OWF/ADC/DA)? **(YES / NO)** If yes, provide:

Household Member Name: _____ Amount: _____

8. Receive Social Security or SSI benefits? **(YES / NO)** _____ If yes, provide:

Household Member Name: _____ Monthly Amount: _____
Household Member Name: _____ Monthly Amount: _____
Household Member Name: _____ Monthly Amount: _____
Household Member Name: _____ Monthly Amount: _____

9. Receive income from a pension or annuity? **(YES / NO)** If yes, provide:

Household Member Name: _____ Amount: _____
Type of Pension/Annuity: _____
Claim #: _____

10. Receive income from assets including interest on checking or savings accounts, interest and dividends from certificates of deposit, stocks or bonds, or income from rental property? **(YES / NO)** If yes, provide:

Household Member Name: _____
Type of Asset: _____
Amount of Income/Interests Received: _____

11. Own a business or self-employed? **(YES / NO)** If yes, provide:

Household Member Name: _____
Business Name: _____ Business Address: _____
Amount of Income: _____ Amount of Business Expenses: _____

12. Receive any type of military pay/allotment (including the Coast Guard, National Guard, and Reserve Units)? **(YES / NO)** If yes, provide:

Household Member Name: _____ Amount: _____
Source of Pay/Allotment: _____

13. Receive \$\$ to pay bills or buy food from an organization or someone outside of your household **(YES / NO)**?
If yes, provide:

Household Member Name: _____ Amount: _____
Name and Address of Party Paying the Bills: _____
How often received within a year? _____

14. Receive Veteran benefits? **(YES / NO)** If yes, provide:

Household Member Name: _____ Amount: _____

15. Receive Grants, Scholarships, Loans for school? **(YES / NO)** If yes, provide:
 Household Member Name: _____
 Name of School: _____
 Address of School: _____
 Amounts: Grants _____ Scholarships _____ Loans _____
16. Other income received in household? **(YES / NO)** If yes, list income _____

PART C: ASSETS (only income from assets is counted towards Gross Household Income)

DOES ANY HOUSEHOLD MEMBER:

1. Own or have an interest in any property (real estate, mobile home, and/or land)? **(YES / NO)** If yes, provide:
 Household Member Name: _____
 Real Estate Address: _____
 Value: _____
2. Has any household member sold or given away any property (real estate, mobile home, and/or land) in the last two years? **(YES / NO)**
3. Own any stocks or bonds? **(YES / NO)**
4. Do you or any household members have a banking account? **(YES / NO)** If yes, provide:

Acct. in Name Of:	Name, Address & Phone # of Financial Institution	Type of Instrument (checking, savings, C.D., stock, money market, etc.)	Balance/ Value

5. Have any type of retirement account (Company, IRA, Keogh)? **(YES / NO)**
6. Have any inheritances, lottery winnings, or lump sum payments? **(YES / NO)**
7. Have any whole life insurance policies? **(YES / NO)** If yes, provide:

a. Household Member Name:	b. Household Member Name:
Insurance Agency Name:	Insurance Agency Name:
Policy Number:	Policy Number:
Cash Value:	Cash Value:

PART D: NSP ELIGIBILITY

Total Household Income – Include gross income for ALL family members in the household.

Number of Persons in Household	Gross Family Income	# of Persons in Household Earning Income

- 1. Does the applicant's total household income fall below the applicable Maximum Income limit listed below? (YES / NO)**

	----- Family Size -----							
120% AMI	1	2	3	4	5	6	7	8
Maximum								
Income:	\$59,800	\$68,350	\$76,900	\$85,450	\$92,300	\$99,100	\$105,950	\$112,800

- 2. Are you, the applicant, preapproved or prequalified by a lending institution? (YES / NO)**

- 3. Do you understand the following: Initial next to each item.**

- The home must be owner-occupied for a period of 5 years (if sold during 5-year affordability period, amount to be repaid is pro-rated and indicated on page 2 of this application). _____
- The applicant must complete the 9-hour home ownership course offered by the Home Ownership Center and submit completion certificate. _____
- The applicant must contribute a minimum of half the lender required down payment towards the purchase. _____
- The applicant's first mortgage must be a fixed rate loan and not exceed front and back end ratios of 31% and 43%, respectively. _____

APPLICANT/PARTICIPANT CERTIFICATION:

I/we certify that the information given to Hamilton County Planning and Development on household composition and characteristics, income, assets, and NSP eligibility is accurate and complete to the best of my knowledge and belief. I/we understand that false statements or information are punishable under Federal Law and grounds for denial of housing assistance.

Applicant Signature: _____ Date: _____

Co-Applicant / Spouse Signature: _____ Date: _____

Mail completed application to:

**NSP
c/o Hamilton County Planning and Development
138 East Court Street, Room 1002
Cincinnati, OH 45202**

Application Submission Checklist

Failure to enclose all necessary documentation will cause delays in the processing of your application. Have you enclosed all of the following?

- **Signed and dated application.**
- **Supporting documentation for ALL income sources.**
- **Properly initialed and signed Eligibility Release form.**

Items to be submitted before Closing:

- **Copy of purchase contract**
- **Copy of first mortgage loan approval (with ratio verification)**
- **Copy of HUD-1 Statement**
- **Proof of down payment contribution**
- **Copy of Homeownership counseling certificate**

Neighborhood Stabilization Program: Homebuyer Assistance Eligibility Release Form

Hamilton County Planning and Development Department
138 East Court Street, Room 1002
Cincinnati, OH 45202
513-946-8234

PURPOSE: YOUR SIGNATURE ON THIS ELIGIBILITY RELEASE FORM, AND THE SIGNATURES OF EACH MEMBER OF YOUR HOUSEHOLD WHO IS 18 YEARS OF AGE OR OLDER, AUTHORIZES THE ABOVE-NAMED ORGANIZATION TO OBTAIN INFORMATION FROM A THIRD PARTY RELATIVE TO YOUR ELIGIBILITY AND CONTINUED PARTICIPATION IN THE:

NEIGHBORHOOD STABILIZATION PROGRAM: DOWN PAYMENT ASSISTANCE

PRIVACY ACT NOTICE STATEMENT: THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) IS REQUIRING THE COLLECTION OF THE INFORMATION DERIVED FROM THIS FORM TO DETERMINE AN APPLICANT'S ELIGIBILITY IN A CDBG PROGRAM AND THE AMOUNT OF ASSISTANCE NECESSARY USING NSP FUNDS. THIS INFORMATION WILL BE USED TO ESTABLISH LEVEL OF BENEFIT ON THE CDBG PROGRAM; TO PROTECT THE GOVERNMENT'S FINANCIAL INTEREST; AND TO VERIFY THE ACCURACY OF THE INFORMATION FURNISHED. IT MAY BE RELEASED TO APPROPRIATE FEDERAL, STATE, AND LOCAL AGENCIES WHEN RELEVANT, TO CIVIL, CRIMINAL, OR REGULATORY INVESTIGATORS, AND TO PROSECUTORS. FAILURE TO PROVIDE ANY INFORMATION MAY RESULT IN A DELAY OR REJECTION OF YOUR ELIGIBILITY APPROVAL. THE DEPARTMENT IS AUTHORIZED TO ASK FOR THIS INFORMATION BY THE NATIONAL AFFORDABLE HOUSING ACT OF 1990.

INFORMATION COVERED: INQUIRIES MAY BE MADE ABOUT ITEMS INITIALED BY APPLICANT.

	VERIFICATION REQUIRED	<u>INITIALS</u>
INCOME (ALL SOURCES)	X	
ASSETS (ALL SOURCES)	X	

INSTRUCTIONS: EACH ADULT MEMBER OF THE HOUSEHOLD MUST SIGN A CDBG PROGRAM ELIGIBILITY RELEASE FORM PRIOR TO THE RECEIPT OF BENEFIT AND ON AN ANNUAL BASIS TO ESTABLISH CONTINUED ELIGIBILITY. ADDITIONAL SIGNATURES MUST BE OBTAINED FROM NEW ADULT MEMBERS WHENEVER THEY JOIN THE HOUSEHOLD OR WHENEVER MEMBERS OF THE HOUSEHOLD BECOME 18 YEARS OF AGE.

NOTE: THIS GENERAL CONSENT MAY NOT BE USED TO REQUEST A COPY OF A TAX RETURN. IF A COPY OF A TAX RETURN IS NEEDED, IRS FORM 4506, "REQUEST FOR COPY OF TAX FORM" MUST BE PREPARED AND SIGNED SEPARATELY.

AUTHORIZATION: I AUTHORIZE THE ABOVE-NAMED CDBG PARTICIPATING JURISDICTION AND HUD TO OBTAIN INFORMATION ABOUT ME AND MY HOUSEHOLD THAT IS PERTINENT TO ELIGIBILITY FOR PARTICIPATION IN THE NSP PROGRAM.
I ACKNOWLEDGE THAT:

- (1) A PHOTOCOPY OF THIS FORM IS AS VALID AS THE ORIGINAL.
- (2) I HAVE THE RIGHT TO REVIEW THE FILE AND THE INFORMATION RECEIVED USING THIS FORM (WITH A PERSON OF MY CHOOSING TO ACCOMPANY ME).
- (3) I HAVE THE RIGHT TO COPY INFORMATION FROM THIS FILE AND TO REQUEST CORRECTION OF INFORMATION I BELIEVE INACCURATE.
- (4) ALL ADULT HOUSEHOLD MEMBERS WILL SIGN THIS FORM AND COOPERATE WITH THE OWNER IN THIS PROCESS.

HEAD OF HOUSEHOLD-SIGNATURE, PRINTED NAME AND DATE:
HOUSEHOLD MEMBER-HEAD

OTHER ADULT HOUSEHOLD MEMBER-SIGNATURE, PRINTED NAME AND DATE: **HOUSEHOLD MEMBER #3**

OTHER ADULT MEMBER OF HOUSEHOLD-SIGNATURE, PRINTED NAME AND DATE: **HOUSEHOLD MEMBER #2**

OTHER ADULT HOUSEHOLD MEMBER-SIGNATURE, PRINTED NAME AND DATE: **HOUSEHOLD MEMBER #4**